



# Minutes

## Waukesha County Board

### Executive Committee Meeting

### July 14, 2014

Chair Decker called the meeting to order at 8:30 a.m. and led the committee in the Pledge of Allegiance.

#### **Committee Members Present**

Paul Decker (Chair) (left at 11:15 a.m. to attend the CJCC Executive Committee meeting)

David D. Zimmermann

David W. Swan

Peter M. Wolff (left at 11:19 a.m.)

Walter L. Kolb

James A. Heinrich

Gilbert W. Yerke

#### **Others Present**

Chief of Staff Mark Mader

Director of Parks and Land Use Dale Shaver

Clerk of Courts Kathy Madden

Business Manager Bob Snow

Land Resources Manager Perry Lindquist

Director of Public Works Allison Bussler

Supervisor Duane Paulson

Judge Jennifer Dorow (teleconference)

Budget Management Specialist Bill Duckwitz

Internal Audit Manager Lori Schubert

Mike Konecny of Schenck & Associates

Daniel Schwarz of Schenck & Associates

Senior Financial Analyst Steve Trimborn

Airport Manager Kurt Stanich

Solid Waste Supervisor Rebecca Mattano

Airport Manager Kurt Stanich

Programs and Projects Analyst Jennifer Thomas

Principal Assistant Corporation Counsel Erik Weidig

#### **Correspondence**

A list of correspondence was distributed.

#### **Approve Executive Committee Minutes of June 16, 2014**

Motion: Heinrich moved, Yerke second, to approve the executive committee minutes of June 16, 2014. Motion carried 7-0.

#### **Legislative Update**

Spaeth said the legislature is working on study committees while in recess. Spaeth distributed and reviewed a handout titled *2014 Study Committees* and outlining the following study committees:

- Adoption disruption and dissolution
- Criminal penalties
- Personal property tax
- Problem solving courts, alternatives and diversions
- Review of tax incremental financing districts

#### **Clerk of Courts Audit**

Schubert introduced Konecny and Schwarz. Konecny reviewed the audit report including letter of transmittal, which outlines the audit scope and objectives, executive summary and findings and recommendations. The audit scope objectives included evaluating the effectiveness and efficiency of:

- The receipting internal control system for all circuit court divisions.
- The business center operations internal control system
- Monthly distribution of funds
- The internal control system over trust accounts maintained by the clerk of circuit court office

Konecny reviewed the audit findings and recommendations which are separated into three sections: additional internal accounting controls, increased effectiveness and efficiency of operations and increased collections and court revenues. He noted that a number of the audit findings contain recommendations pertaining to changes or

enhancements to the State of Wisconsin's Consolidated Court Automated Program (CCAP) even though the county cannot directly implement any enhancements to the software. Findings and recommendations include:

Provide additional internal accounting controls

- Financial policy and procedure manual
- Monthly review and close procedures
- User authority within CCAP
- Receipt voiding procedures
- Processing of accounts payable disbursements
- Issuing receipts for small claims collections
- Recording of separate trust accounts on the general ledger
- Periodic review of separate trust account activity

Provide increased effectiveness and efficiency of operations

- Establishment of financial records and procedures
- Monitoring collection of accounts receivables
- Cashiering stations
- Parent education classes

Provide for increased collections and court revenues

- Bonds held in trust
- Tax refund intercept program (TRIP) collections
- Additional fees in juvenile cases
- Verification of guardian financial records

Decker asked did judicial officers respond to auditors' requests for information? Madden said judges were not involved with the actual audit process. Staff responded appropriately and cooperatively and have started implementing changes.

The following portion relates to questions asked about specific audit findings and recommendations.

User authority within CCAP

In response to Zimmermann's question, Madden said supervisors set up CCAP authorities for staff but the authorities are not well defined. It is up to the county to decide who is given authority for different aspects of CCAP. Schubert said supervisors can give CCAP permissions but the system does not prevent supervisors from selecting conflicting options. It would be helpful to get better definitions of the permissions from CCAP. Madden said she agrees change is needed to CCAP authorities but unfortunately, resources are not available. Decker said CCAP has been unable to keep up with courts' growth in Waukesha County. Madden said county staff have begun the process of cleaning up authorities internally.

Bonds held in trust

In response to Decker's question regarding bonds held in trust, Dorow explained reasons judges order revocation of bonds rather than forfeiture such as due process implications and need to notice. As presiding judge, she will work with staff to create better processes and procedures for handling and monitoring bonds held by the courts. Swan asked what is the timetable for completing this task? Dorow said she will begin by addressing the issue with the judges and asking for their feedback. Then she will address the issue personally on her calendar. Snow said administrative staff have already begun working on the issue. Madden said creating a new calendar to develop and implement policy will take time. Neimon said he expects the solution to address fiscal and legal issues in order to maximize efforts and increase efficiencies and clear up the situation in two years or less.

### Monitoring collection of accounts receivables

Heinrich asked do the auditors recommend sending outstanding accounts to collections? Madden indicated that the courts works with litigants to set up payment plans. Cases are sent to the department of administration-collections division when litigants do not pay. Snow said the county is not allowed to remove cases from CCAP when they are sent to collections. Yerke asked when is debt written off? Neimon said it is CCAP's policy to not write anything off. Snow said there is no statewide policy to write anything off. It is the courts' responsibility to continue collecting. Madden said the debts are court orders and the money is due. Snow said the courts handle debt differently than private organizations using a variety of collection methods including state tax intercept. Madden said it is difficult to collect from many cases especially those involving criminal issues. Neimon said some of the outstanding debt could be connected to people who are dead. Madden said the county shared the auditors' comments with CCAP management and CCAP management has acknowledged the requests. In response to Kolb's question, Madden said the courts pursue all fines and forfeitures no matter the amount.

Heinrich said this is a great audit and he appreciates that Madden agrees with the recommendations. Heinrich asked Madden if Schenck worked with her and her staff to help them understand recommendations and discuss the best ways to implement changes? Madden said her team and Schubert have had many opportunities to discuss the recommendations, reasons for recommendations and change options with the auditors. Everyone worked together to find reasonable solutions. She will continue to work with Schubert to find and implement solutions.

Decker complimented Schubert for her role in the audit and explained that Schubert continues working with departments after audits are completed to implement recommendations and changes. Snow said he imagines that the county can continue to reach out to Schenck to which Konecny agreed.

Motion: Yerke moved, Zimmermann second, to approve and accept the Clerk of Courts Audit. Motion carried 6-0. (Heinrich abstained.)

Motion: Wolff moved, Swan second, to approve the following appointments en masse.

169-A-017: Appointment of Diane Knutson to the Oconomowoc Public Library Board of Trustees

169-A-018: Appointment of Thomas A. Day to the County Zoning Board of Adjustment

169-A-019: Appointment of Robert Hamilton to the Park and Planning Commission

169-A-020: Appointment of James Siepmann to the Park and Planning Commission

169-A-021: Appointment of Julie Ann Heisler to the Mukwonago Community Library Board

169-A-022: Appointment of Lillie B. Wilson to the Community Development Block Grant Board

169-A-023: Appointment of Richard Morris to the Park & Planning Commission

Motion carried 7-0.

### **Public Comment in Committees**

Decker said committee chairs should use discretion to establish public comment rules for their committees. The current public comment rules at county board meetings will remain the same. Decker recommends that supervisors and public continue to raise their hands and be recognized before speaking. Spaeth said committees may question public speakers as long as the issue is on the agenda. Spaeth suggested limiting the length of public comments if there are several people waiting to speak. Decker said it is the committee chair's job to ask questions and clarify public speakers' comments.

### **Ordinance 169-O-034: Approval of Intergovernmental Agreement between Waukesha County and Municipalities for Recycling Containers and Material Hauling**

Motion: Swan moved, Wolff second, to approve Ordinance 169-O-034.

Shaver reviewed a PowerPoint presentation titled *Waukesha County Recycling Program* providing historical and current information related to Ordinance 169-O-034. Shaver also distributed and reviewed a handout titled *Evaluation of Projected Recycling Program Costs for Transportation and Containers* including options/conclusions

for transporting recyclables to Milwaukee, options/recommendations for recycling containers and revisions to the community financial assistance in dividend payments.

Kolb asked how has the state recycling grant been going? Shaver said the grant has been stable for the past ten years. The county tracks and monitors the grant and related state legislation. It is possible in the future that consolidation efforts will be rewarded with larger grants.

In response to Kolb's question, Shaver said the new materials recycling facility (MRF) will operate one shift when it opens and add a second shift later if necessary.

Kolb summarized that considering all costs, hauling recyclables directly to the Milwaukee facility would be less expensive than using the Waukesha transfer station. Shaver said the request for proposal (RFP) asked vendors to provide costs for many options. Eliminating the transfer station and double handling and hauling materials directly to Milwaukee will save the county an estimated \$1,873,925 over seven years. Internal controls and safeguards will be put in place to mitigate concerns.

In response to Kolb's question, Shaver explained that the joint MRF operator is responsible for providing a backup if processing is down for a significant time. The facility's tip floor has sufficient storage to hold two to three days of city and county recyclables. Lindquist said the vendor filed alternatives with the county.

In response to Kolb's question, Shaver said the county will provide participating municipalities an approximate allowance of \$370K annually for recycling containers. This least expensive of options would provide financial assistance to municipalities to enter into ten-year contracts with haulers to lease-to-own containers (without maintenance). The first seven years of the contract would be part of the base collection contract with a three year contract extension option at no cost. At this rate, communities will own the containers after seven years. Using this formula, the county would save approximately \$880K over ten years. This scenario allows the county to provide consistent annual payments to communities and allows communities to choose the container option that best meets their needs. Communities will also decide recycling container size, collection frequency, if up the drive collection will be provided, etc. The county encourages use of the 96 gallon containers but requires standardized colors and in-mold educational labeling. The county does not provide funding for garbage containers.

To answer Yerke's question, Shaver explained the components of dividend payments to communities as outlined on page five of the handout. The county wants this ordinance approved quickly to allow adequate time for municipalities to negotiate hauling costs with vendors. Future dividends are dependent on recycle markets and program fund balance. Yerke asked if any municipalities have issues with the newly proposed container allowance? The concept is different from the original game plan. Shaver said the county has offered to help participating municipalities negotiate contracts and analyze offers.

In response to Swan's question, Shaver said ten-year contracts between the county and municipalities will begin in 2015. Swan asked do municipalities have to sign the agreement? Shaver said there is some confusion with how the state law is written on this subject. Shaver does not think the proposed allowance concept will be a problem with municipalities. It makes sense to join the group.

Heinrich said are there concerns about closing Waukesha County's transfer station? What happens if the joint project goes foul and Waukesha County's opts out the City of Milwaukee facility? Spaeth said the materials could be hauled elsewhere. Shaver said if the intergovernmental agreement fails, the city would shut down the facility and the county has ten-year-agreements with the municipalities. Heinrich asked what will happen with the county's MRF? Shaver said no decisions have been made about the future of the facility but there are options. The county would save \$1.9M over seven years by selling the facility.

Motion carried 7-0.

Decker left at 11:15 a.m. to attend the Criminal Justice Collaborating Council.

**Ordinance 169-O-036: Modify 2014 Capital Budget for Airport Capital Project 200704 to Modify the Project Scope and Increase the Capital Project Budget**

Motion: Swan moved, Heinrich second, to approve Ordinance 169-O-036

Bussler said approval of this ordinance would modify the scope of capital project 200704 from a runway rehabilitation project to reconstruction project including new lighting and improved airfield storm water management. Due to delaying this project for several years and the recent harsh winter, Waukesha County asked the state to elevate the project to complete runway reconstruction. Project costs will increase \$9,812,000 to \$10,750,000 and increase the county's 5% share to \$537,500. The remaining 95% of costs are funded by the Federal Aviation Administration and Wisconsin Bureau of Aeronautics which will manage the project and bill the county for the 5% cost share. The ordinance increases the project expenditure budget by \$490,500 for the increased cost share and appropriates \$490,500 of airport fund balance for this purpose.

Stanich said the three month runway reconstruction is scheduled for May to August 2015 and is expected to negatively impact runway related revenues, however; the new runway is expected to improve revenues since the runway will be able to support heavier aircraft resulting in more customers. Airport management also estimates that reconstruction would increase the useful life of the runway to 25 years versus five year with runway rehabilitation.

In response to Kolb's question, Stanich said the project will replace the current eight inches of concrete with fifteen inches.

Wolff left at 11:19 a.m.

In response to Yerke's question, Bussler said larger jets will not be able to fly at the airport while the runway is closed. The county has contacted airport users of the project and timeline.

Swan asked has the county found the funds for its portion of the costs? Bussler said the county executive has identified this project as a good use of fund balance. Heinrich asked how much is in airport fund balance? Stanich said there is \$3.7M in unrestricted funds in airport fund balance but some of it is designated for other projects. Bussler said the department is working to find out how much fund balance is available. A significant amount of airport fund balance will be spent. Swan asked has the county received a firm commitment from the state and federal governments for this project? Stanich said the state and federal government have approved funding for the project with discretionary funds. Bussler said the funding will not be available unless this ordinance is approved.

Motion carried 5-0.

**County Board Committee Reports by Committee Chairs for the Following 2014 Meetings:**

Land Use – June 17-Kolb said the committee approved six ordinances and one appointment.

Finance – June 18 & July 2-Heinrich said the committee approved a resolution, ordinance and contract procurement process, heard reports on transit routes and contracts and the Waukesha County Historical Museum and reviewed the future agenda items list. On July 2, the committee approved a contract procurement process and heard reports on the following: comprehensive annual financial report, end use cost allocation plan, budget assumptions and mid-year budget and capital projects status reports.

Public Works – July 10-Swan reported the committee approved four ordinances and heard a report on the zoo interchange project and I-94 east/west freeway corridor study by the Wisconsin Department of Transportation.

The committee also discussed negotiation strategies in closed and open sessions for the proposed sale of three excess right-of-way properties located on Janesville Road.

Waukesha County Historical Society Board-Yerke said the board is working on fund raising and was recently awarded \$17K from CDBG to complete a facilities assessment. Other big news includes a new exhibit opening soon and the addition of a lady justice statue, formerly housed on the second floor of the Waukesha County Courthouse, and an original judge's bench to the museum.

Human Resources – June 17-Zimmermann said the committee had educational presentations on the corporation counsel's office, employee benefits and related employee/employer costs and the county's compensation and pay for performance system.

Judiciary – July 11-Spaeth said the committee approved two ordinances and had presentations on the sheriff's and emergency preparedness departments.

Motion: Yerke moved, Zimmermann second, to adjourn the meeting at 11:44 a.m. Motion carried 5-0.

Respectfully submitted,

Peter Wolff  
Committee Secretary